



**Nopa Nordic A/S**  
Havrevænget 13  
DK-9500 Hobro

Telephone 89 12 21 22

## Nopa Nordic A/S

# Annual report 2015/16

The annual report was presented and adopted at the  
Company's annual general meeting

on 4/7 - Hobro 20 16

chairman

*Mikkel Kjær*

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## Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Nopa Nordic A/S for the financial year 1 May 2015 – 30 April 2016.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 30 April 2016 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 1 May 2015 – 30 April 2016.

In our opinion, the Management's review includes a fair review of the development in the Group's and the Parent Company's operations and financial matters, of the results for the year and of the Group's and the Parent Company's financial position.

We recommend that the annual report be approved at the annual general meeting.

Hobro, 4 July 2016

Executive Board:

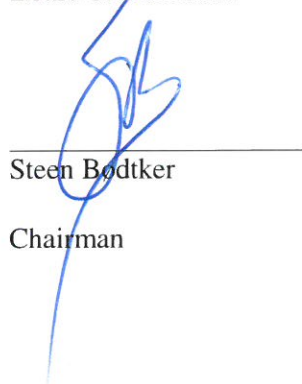


Henrik Karup Jørgensen

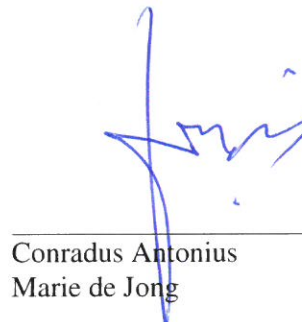


Jonas Samuel Kærgaard  
Petersen

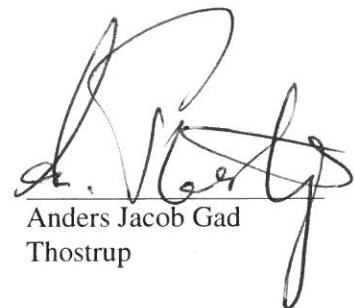
Board of Directors:



Steen Bødtker  
Chairman



Conradus Antonius  
Marie de Jong



Anders Jacob Gad  
Thostrup



## **Independent auditor's report**

**To the shareholders of Nopa Nordic A/S**

### **Independent auditor's report on the consolidated financial statements and the parent company financial statements**

We have audited the consolidated financial statements and the parent company financial statements of Nopa Nordic A/S for the financial year 1 May 2015 – 30 April 2016. The consolidated financial statements and parent company financial statements comprise accounting policies, income statement, balance sheet, statement of changes in equity, and notes for the Group as well as for the Parent Company and a cash flow statement for the Group. The consolidated financial statements and parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

#### ***Management's responsibility for the consolidated financial statements and the parent company financial statements***

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's responsibility***

Our responsibility is to express an opinion on the consolidated financial statements and the parent company financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements and the parent company financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and parent company financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements and parent company financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of consolidated financial statements and parent company financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of consolidated financial statements and parent company financial statements.

## Independent auditor's report

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit has not resulted in any qualification.

### *Opinion*

In our opinion, the consolidated financial statements and parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 30 April 2016 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 1 May 2015 – 30 April 2016 in accordance with the Danish Financial Statements Act.


### Statement on the Management's review

In accordance with the Danish Financial Statements Act, we have read the Management's review. We have not performed any further procedures in addition to the audit of the consolidated financial statements and the parent company financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the consolidated financial statements and the parent company financial statements.


Aarhus, 4 July 2016

**KPMG**

Statsautoriseret Revisionspartnerselskab  
CVR no. 25 57 81 98



Steffen S. Hansen  
State Authorised  
Public Accountant



Mikkel Trabjerg Knudsen  
State Authorised  
Public Accountant

## **Management's review**

### **Company details**

Nopa Nordic A/S  
Havrevænget 13  
DK-9500 Hobro

Telephone: +45 89 12 21 22  
CVR no.: 42 55 92 10  
Established: 29 December 1972  
Registered office: Mariagerfjord  
Financial year: 1 May – 30 April

### **Board of Directors**

Steen Bødtker (Chairman)  
Conradus Antonius Marie de Jong  
Anders Jacob Gad Thostrup

### **Executive Board**

Henrik Karup Jørgensen  
Jonas Samuel Kærgaard Petersen

### **Auditor**

KPMG  
Statsautoriseret Revisionspartnerselskab  
Bredskifte Allé 13  
8210 Aarhus V  
Denmark

### **Annual general meeting**

The annual general meeting will be held on 4 July 2016.

## Management's review

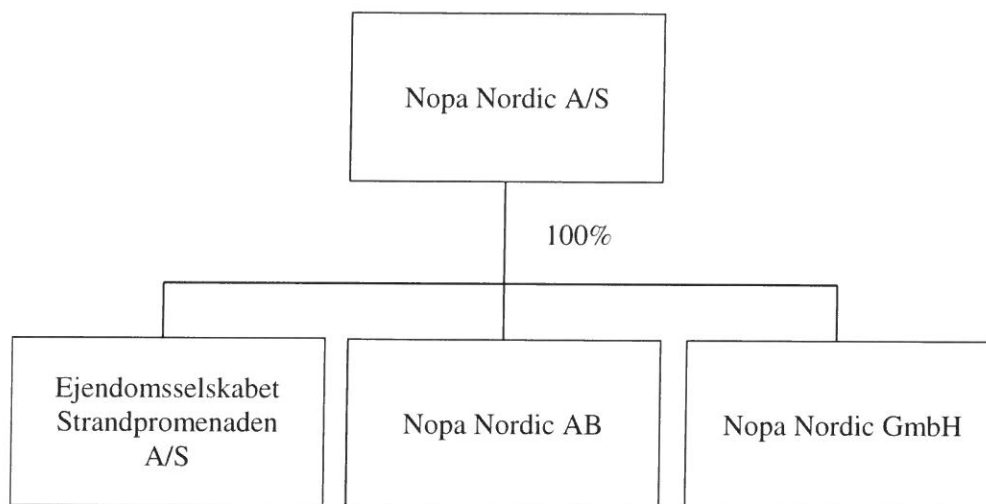
### Financial highlights for the Group

DKK'000	2015/16	2014/15	2013/14	2012/13	2011/12
<b>Key figures</b>					
Revenue	432,279	446,476	397,653	374,628	365,242
Gross profit	75,871	78,931	65,682	56,836	43,826
Operating profit/loss	22,050	25,812	14,945	7,114	-5,211
Profit/loss from financial income and expenses	10	-141	-366	-1,285	-2,463
<b>Profit/loss for the year</b>	<b>16,780</b>	<b>19,951</b>	<b>11,267</b>	<b>4,295</b>	<b>-5,580</b>
Total assets	253,767	240,484	214,719	219,506	233,686
<b>Equity</b>	<b>180,694</b>	<b>175,072</b>	<b>155,121</b>	<b>143,854</b>	<b>139,559</b>
Cash flows from operating activities	28,487	35,945	27,558	35,272	-2,466
Cash flows from investing activities	-18,648	-13,715	-7,999	-6,485	-4,137
Hereof investment in property, plant and equipment	-17,068	-13,715	-7,895	-6,235	-4,483
Cash flows from financing activities	-8,256	0	0	0	0
<b>Total cash flows</b>	<b>1,583</b>	<b>22,230</b>	<b>19,559</b>	<b>28,787</b>	<b>-6,603</b>
Gross margin	17.6	17.7	16.5	15.2	12.0
Return on invested capital	5.1	5.8	3.8	1.9	-1.4
Solvency ratio	71.2	72.8	72.2	65.5	59.7
<b>Average number of full-time employees</b>	<b>160</b>	<b>169</b>	<b>162</b>	<b>155</b>	<b>161</b>

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015". For terms and definitions, please see the accounting policies.

## Management's review

### Group chart





## **Management's review**

### **Operating review**

#### **Principal activities of the Group and development**

Nopa Nordic A/S' principal activities are to develop, produce and sell private-label detergents, cleaning products and products for personal care.

Nopa Nordic A/S' products are primarily sold on the European markets, but, to an increasingly extent, also to non-EU countries. In 2015/16, our export share was continuously on the increase. We expect this positive trend to continue in 2016/17.

Nopa Nordic A/S is affected by the stagnation on the Danish retail market, while the Russian market was severely on the decline, which had a notable impact on the Company's revenue. The continuous cultivation of non-Scandinavian markets paid off in the form of new customers on both new EU and non-EU markets. For instance, Nopa Nordic managed to expand its customer portfolio in Central Europe, China and North America. The increase in the number of customers has made a positive mark in the financial statements, and going forward we continuously expect non-Scandinavian customers to account for significant growth.

To support our export and internalisation, we have, during the year under review, increased the number of staff members in our subsidiary in Germany. This measure was taken to support and further promote Nopa Nordic A/S' growth in the market south of the Danish border.

Consumer insights and product innovation remain in focus with Nopa Nordic, and end user and customer focus sets the direction for the Company. Consequently, during the year under review, Nopa Nordic developed and launched a considerable number of new products, just as several of our products have won international awards.

With the intake of new customers, Nopa Nordic A/S' business profile has been further widened, and we remain supplier to a broad group of customers within the retail trade, OEM customers and the professional segment.

In June 2016, the acquisition of Allison A/S was announced. Allison A/S is a leading producer and supplier of beauty care products for the face, hair and body.

#### **Development in activities and financial position**

The Company reported a profit of DKK 16.8 million for 2015/16, and at 30 April 2016, equity stood at DKK 180.7 million.

Nopa Nordic A/S' results and financial performance in 2015/16 are considered satisfactory judged on the basis of the market conditions.

Revenue was down by 3% on 2014/15 from DKK 446 million to DKK 432 million, and operating profit is down from DKK 25.8 million in 2014/15 to DKK 22.1 million.

## **Management's review**

### **Operating review**

The negative profit development was primarily attributable to the development on the Russian market.

### **Outlook**

For the 2016/17 financial year, the consolidated revenue and profit is expected to be increased due to the acquisition of Allison A/S in June 2016.

### **Events after the balance sheet date**

No events have occurred after the balance sheet date to this date that may influence the evaluation of this annual report.

### **Risks**

#### *Sales price risks*

Nopa Nordic A/S focuses constantly on improving the competitive power of its clients. The development in the prices of raw materials and packaging pose the most important risk to the volume of Nopa Nordic A/S' production levies. During short periods of time and due to contractual commitments to the customers, price increases in raw materials and packaging may not at all times be reflected in the sales prices charged for the final products. However, this risk has been significantly reduced after the renegotiation of contracts which tie the sales price to the price of raw materials and packaging.

#### *Currency risks*

The commercial currency risk is considered low.

#### *Interest rate risks*

As interest-bearing debt does not make a significant amount, moderate changes in the interest level will not have any major, direct impact on earnings. Therefore, the Company does not enter into any interest positions to cover interest risks.

### **Human resources**

Nopa Nordic A/S makes use of state-of-the-art production technology, and therefore Nopa Nordic A/S must be able to attract and retain skilled labour to remain efficient and competitive. Nopa Nordic A/S regularly invests in training and the development of skills with its employees.

Competence development has been given a higher priority in 2015/16.

## **Management's review**

### **Operating review**

#### **Quality and environment**

Since 1998, Nopa Nordic A/S has been certified to DS/EN ISO 9001 and ISO 14001. Accordingly, Nopa Nordic A/S is under an obligation to reduce the environmental impact of its activities to an absolute minimum and to ensure that health and safety of the individual employee remains a constant priority.

Furthermore, Nopa Nordic A/S has been certified to the A.I.S.E. charter for sustainable cleaning, focusing on the environment, work environment and consumer safety. The certification supports Nopa Nordic A/S' green profile and the commercial potential of its products.

In December 2015, a voluntary audit was conducted in accordance with the ISO 22716/GMP standard, and Nopa Nordic A/S was subsequently awarded a certificate/certificate of conformity confirming that our production processes and facilities are compliant with this standard.

Nopa Nordic A/S renews its certifications on a regular basis.

#### **Research and development**

Nopa Nordic A/S continuously develops and optimises its production processes and products. Associated costs are regularly expensed.

In a market where requirements and expectations constantly change, an intense focus is maintained on optimising our products together with our customers. Nopa Nordic A/S' Product and Business Development teams strive to stay on the forefront via the development of new and innovative products and concepts, and via the upgrading and enhancement of existing products. During the year under review, the Product Development team has been further strengthened to this end.

The Company also makes significant investments in long-term research and development projects in cooperation with universities and suppliers.

#### **Statutory report on corporate social responsibility (section 99 a of the Danish Financial Statements Act)**

Business development and optimisation go hand in hand with corporate social responsibility and environmental considerations at Nopa Nordic A/S. Nopa Nordic A/S has not established a separate CSR policy - and accordingly no separate policies for climate changes and human rights - but has instead integrated CSR into its business principles and strategy, because of a desire to contribute to a better society by investing and engaging in human resources, environmental aspects and society.

## **Management's review**

### **Operating review**

During the year under review, Nopa Nordic A/S went through and finalised an external CSR certification facilitated by, among others, the Confederation of Danish Enterprise (Dansk Erhverv). The CSR certification documents that Nopa Nordic A/S works in structured and documented manner with corporate social responsibility, which is a high-priority focus area.

Specifically, Nopa Nordic A/S' work with CSR has had the outcome that we have become RSPO certified and that we are able to offer vegan-certified products. Furthermore, Nopa Nordic A/S has entered into a business relationship with the independent organisation, donaid, whose objective is facilitate entities' ability to take part in support programmes managed by professional charitable organisations.

Sustainability and corporate social responsibility are reflected in our product and business development, Nopa Nordic A/S constantly strives to develop and produce as effective products as possible with the least possible environmental impact. Therefore, Nopa Nordic A/S still accounts for a high number of the eco-labelled products launched on the Scandinavian markets each year. We work actively on promoting awareness of eco-labelled products on our export markets outside Scandinavia and Europe. Nopa Nordic A/S makes it easier for the consumer to go green and opt for eco-labelled products and thereby reduce environmental impact.

Sustainability is an integrated part of daily operations, as renewable sources of energy account for Nopa Nordic A/S' entire electricity consumption. In its ongoing efforts to improve and optimise its processes, Nopa Nordic A/S strives to increase its rate of reuse and to reduce waste of materials and resources as well as energy consumption.

Due to this focus the use of electricity is now 100% supplied through wind energy, and target for coming year is that all energy is renewables. Regarding environmental matters also refer to section above.

The internal work environment at Nopa Nordic A/S is given a high priority. Action plans have been drawn up, and new measures have been implemented to constantly further improve the work environment. We have, for instance, invested heavily in production equipment to improve ergonomics and reduce health risks, and we strive to extend our certification to working environment standards. Additionally, Nopa Nordic A/S considers it an obligation to offer positions respecting the individual with regard to duties, working hours and skills.

Nopa Nordic A/S places heavy demands on its suppliers, requiring them to comply with the UN World Declaration of human rights, including UN standards for human rights, work environment, health, safety, social standards and environmental standards. Our CSR certification helps us placing heavy demands on our suppliers and their CSR efforts.

During the last two years, seven suppliers have been audited in relation to their CSR.

## **Management's review**

### **Operating review**

Nopa Nordic A/S is of the opinion that the Company has a special obligation to support the local community. Therefore, in line with our practice for several years, we continue to support the local Julemærkehjem in Hobro (home for overweight children) and the organisation Familier med kræfttramte børn (organisation for children with cancer). Furthermore, Nopa Nordic A/S supported the Sølund festival (music festival) this financial year.

### **Statutory report on targets and policies for the underrepresented gender (section 99 b of the Danish Financial Statements Act)**

The general policy is to have an inclusive culture at all levels of the organisation, including the Board of Directors and leadership team.

Nopa Nordic A/S has laid down targets for the number of women to serve on its Board of Directors and its leadership team.

For the Board of Directors, one female board member is set as target. The Board of Directors consists of three males, and therefore the target are not met for 2015/16. At the general meeting in July 2016 a female are appointed as new board member (25%) The target for the coming four years is to have, as a minimum, one female board member.

In line with the policy to have an inclusive culture at all levels of the organization, one female was appointed to the leadership team as of 1 February 2016. Except for this action, no other initiatives were undertaken during 2015/16. The target for the coming four years is to have at least one female on the leadership team.

## **Consolidated financial statements and parent company financial statements 1 May 2015 – 30 April 2016**

### **Accounting policies**

The annual report of Nopa Nordic A/S for 2015/16 has been prepared in accordance with the provisions applying to reporting class C large entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the consolidated financial statements and parent company financial statements are consistent with those of last year.

### **Consolidated financial statements**

The consolidated financial statements comprise the Parent Company, Nopa Nordic A/S, and subsidiaries in which Nopa Nordic A/S directly or indirectly holds the majority of the votes.

On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends and realised and unrealised gains and losses on intra-group transactions are eliminated.

Investments in subsidiaries are set off against the proportionate share of subsidiaries' fair value of net assets and liabilities at the date of acquisition.

### **Foreign currency translation**

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Upon recognition of foreign subsidiaries which are independent entities, the income statements are translated into Danish kroner at average exchange rates for the month, and balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising upon translation of foreign subsidiaries' opening equity and results at the exchange rates at the balance sheet date are recognised directly in equity.

Foreign exchange adjustments of balances with independent foreign subsidiaries considered part of the total investment in the subsidiary are recognised directly in equity. Similarly, foreign exchange gains and losses on loans and derivative financial instruments taken out for the purpose of hedging investments in foreign subsidiaries are recognised directly in equity.

## **Consolidated financial statements and parent company financial statements 1 May 2015 – 30 April 2016**

### **Accounting policies**

#### **Income statement**

##### **Revenue**

Income from the sale of goods for resale and finished goods is recognised in revenue when delivery and transfer of risk to the buyer have taken place, the income may be reliably measured and is expected to be received.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are recognised in revenue.

##### **Other operating income**

Other operating income comprises items secondary to the activities of the entities.

##### **Cost of raw material and consumables**

Cost of raw material and consumables comprise of costs incurred directly or indirectly to generate revenue for the year.

##### **Other external costs**

Other external costs comprise costs related to distribution, sales, advertising, administration, lease expenses, etc.

##### **Staff costs**

Staff costs comprise salaries and wages, including holiday allowance, pension, other social security costs, etc. to the Company's employees.

## **Consolidated financial statements and parent company financial statements 1 May 2015 – 30 April 2016**

### **Accounting policies**

#### **Financial income and expenses**

Financial income and expenses comprise interest income and expense, realised and unrealised gains and losses on payables and transactions denominated in foreign currencies, and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

#### **Income from investments in group entities**

The proportionate share of the results of the individual subsidiaries is recognised in the Parent Company's income statement after full elimination of intra-group gains/losses.

#### **Tax on profit for the year**

The Parent Company is comprised by the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The subsidiaries are included in the joint taxation from the date on which they are included in the consolidated financial statements and up to the date on which they are excluded from the consolidation.

The Parent Company is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have used the losses to reduce their own taxable profit.

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.



## Consolidated financial statements and parent company financial statements 1 May 2015 – 30 April 2016

### Accounting policies

#### Balance sheet

#### Intangible assets

##### *Patents, licences and trademarks*

Patents, licences and trademarks are measured at cost less accumulated amortisation and impairment losses. Patents and trademarks are amortised on a straight-line basis over the remaining life of the patent or trademark, and licences are amortised over the contract period, however, not exceeding 5 years.

##### *Software*

Software recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

Upon completion of software, software is amortised on a straight-line basis over the estimated useful lives. The amortisation period is usually 5 years, however, not exceeding 10 years.

#### Property, plant and equipment

Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers, energy consumption, staff and depreciation of machinery used.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Buildings	25 years
Plant and machinery	3-12 years
Fixtures and fittings, tools and equipment	3-12 years

Land is not depreciated.

## **Consolidated financial statements and parent company financial statements 1 May 2015 – 30 April 2016**

### **Accounting policies**

Non-current assets under construction are recognised and measured at cost at the balance sheet date. Upon entry into service, the cost is transferred to the relevant group of property, plant and equipment.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

### **Investments in group entities**

Investments in group entities are measured at the proportionate share of the entities' net asset value calculated in accordance with the Group's accounting policies plus or minus unrealised intra-group gains or losses and plus or minus the residual value of positive and negative goodwill calculated in accordance with the acquisition method.

Investments in group entities with negative net asset values are measured at DKK 0, and any receivables from these entities are written down by an amount equivalent to the negative net asset value. To the extent that the negative net asset value exceeds the receivable, the residual amount is recognised under provisions.

Net revaluation of investments in subsidiaries is transferred to the reserve for net revaluation in equity according to the equity method to the extent that the carrying amount exceeds cost.

### **Inventories**

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

Finished goods are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries and indirect production overheads. Indirect production overheads comprise indirect materials and wages and salaries as well as the maintenance of depreciation of production machinery, buildings and equipment as well as factory administration and management. Borrowing costs are not included in cost.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

## **Consolidated financial statements and parent company financial statements 1 May 2015 – 30 April 2016**

### **Accounting policies**

#### **Receivables**

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

#### **Prepayments**

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

#### **Equity**

Net revaluation reserve according to the equity method comprises net revaluation of equity investments in group entities and associates.

Proposed dividends are recognised as a liability at the date on which they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

#### **Corporation tax and deferred tax**

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

## **Consolidated financial statements and parent company financial statements 1 May 2015 – 30 April 2016**

### **Accounting policies**

#### **Liabilities other than provisions**

Financial liabilities are recognised at the date of borrowing at cost, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Finance lease obligations are recognised as financial liabilities at amortised cost.

Other liabilities are measured at net realisable value.

#### **Cash flow statement**

The cash flow statement shows the Group's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non-cash operating items, changes in working capital and corporation tax paid.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities, intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise purchase and sale of treasury shares, payments relating to increases or reductions in capital and related costs as well as payment of dividends to shareholders and raising and repayment of interest-bearing debt.

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less which are easily convertible into cash and which are subject to only an insignificant risk of changes in value.

#### **Segment information**

In accordance with section 96 of the Danish Financial Statements Act, segment information is not disclosed, as this information may cause significant damage to the entities' competitive position.

## **Consolidated financial statements and parent company financial statements 1 May 2015 – 30 April 2016**

### **Accounting policies**

#### **Financial ratios**

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015".

The financial ratios have been calculated as follows:

Gross margin	$\frac{\text{Gross profit/loss} \times 100}{\text{Revenue}}$
Return on invested capital	$\frac{\text{Operating profit/loss} \times 100}{\text{Average invested capital}}$
Invested capital	Non-current assets and net working capital
Solvency ratio	$\frac{\text{Equity ex. non-controlling interests at year end} \times 100}{\text{Total equity and liabilities at year end}}$

## Consolidated financial statements and parent company financial statements 1 May 2015 – 30 April 2016

### Income statement

DKK	Note	Group		Parent Company	
		2015/16	2014/15	2015/16	2014/15
<b>Revenue</b>		432,278,940	446,476,280	432,278,940	446,476,288
Other operating income		0	0	30,000	30,000
Cost of raw materials and consumables		-309,344,688	-318,567,194	-309,344,688	-318,567,194
Other external costs		-47,062,896	-48,977,793	-51,011,700	-51,745,628
<b>Gross profit</b>		75,871,356	78,931,293	71,952,552	76,193,466
Staff costs	1	-41,092,789	-40,371,020	-38,449,245	-38,784,503
Depreciation on property, plant and equipment and amortisation of intangible assets	4, 5	-12,728,294	-12,748,656	-12,602,351	-12,628,065
<b>Operating profit</b>		22,050,273	25,811,617	20,900,956	24,780,898
Income from investments in group entities	6	0	0	1,015,322	865,141
Financial income		225,734	176,727	225,608	176,727
Financial expenses	2	-236,194	-317,626	-383,941	-432,375
<b>Profit before tax</b>		22,039,813	25,670,718	21,757,945	25,390,391
Tax on profit for the year	3	-5,259,725	-5,719,873	-4,977,857	-5,439,546
<b>Profit for the year</b>		16,780,088	19,950,845	16,780,088	19,950,845
<b>Proposed profit appropriation</b>					
Proposed dividends for the financial year				6,000,000	12,000,000
Net revaluation reserve according to the equity method				1,015,322	865,141
Retained earnings				9,764,766	7,085,704
				16,780,088	19,950,845

## Consolidated financial statements and parent company financial statements 1 May 2015 – 30 April 2016

### Balance sheet

DKK	Note	Group		Parent Company	
		2015/16	2014/15	2015/16	2014/15
<b>ASSETS</b>					
<b>Non-current assets</b>					
<b>Intangible assets</b>					
Patents, licences and trademarks	4	117,500	243,750	117,500	243,750
Software under construction		5,767,780	0	5,767,780	0
		<u>5,885,280</u>	<u>243,750</u>	<u>5,885,280</u>	<u>243,750</u>
<b>Property, plant and equipment</b>					
Land and buildings	5	36,889,174	39,047,752	36,021,090	38,059,987
Plant and machinery		34,215,918	29,729,917	34,215,918	29,729,917
Fixtures and fittings, tools and equipment		2,111,655	2,030,274	2,094,954	2,019,419
Property, plant and equipment under construction		2,446,159	4,543,629	2,446,159	4,543,629
		<u>75,662,906</u>	<u>75,351,572</u>	<u>74,778,121</u>	<u>74,352,952</u>
<b>Investments</b>					
Investments in group entities	6	0	0	4,468,180	3,448,064
		<u>0</u>	<u>0</u>	<u>4,468,180</u>	<u>3,448,064</u>
<b>Total non-current assets</b>		<u>81,548,186</u>	<u>75,595,322</u>	<u>85,131,581</u>	<u>78,044,766</u>
<b>Current assets</b>					
<b>Inventories</b>					
Raw materials and consumables		27,438,634	32,887,212	27,438,634	32,887,212
Finished goods and goods for resale		52,496,613	44,712,909	52,496,613	44,712,909
		<u>79,935,247</u>	<u>77,600,121</u>	<u>79,935,247</u>	<u>77,600,121</u>
<b>Receivables</b>					
Trade receivables		67,929,423	64,684,029	67,929,423	64,684,029
Other receivables		1,326,316	790,795	1,202,732	708,568
Prepayments		1,176,079	1,518,736	1,176,079	1,513,334
		<u>70,431,818</u>	<u>66,993,560</u>	<u>70,308,234</u>	<u>66,905,931</u>
<b>Cash at bank and in hand</b>		<u>21,851,846</u>	<u>20,294,780</u>	<u>21,383,740</u>	<u>20,176,869</u>
<b>Total current assets</b>		<u>172,218,911</u>	<u>164,888,461</u>	<u>171,627,221</u>	<u>164,682,921</u>
<b>TOTAL ASSETS</b>		<u>253,767,097</u>	<u>240,483,783</u>	<u>256,758,802</u>	<u>242,727,687</u>

## Consolidated financial statements and parent company financial statements 1 May 2015 – 30 April 2016

### Balance sheet

DKK	Note	Group		Parent Company	
		2015/16	2014/15	2015/16	2014/15
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	7	1,000,000	1,000,000	1,000,000	1,000,000
Net revaluation according to the equity method		0	0	2,647,820	1,630,782
Retained earnings		173,693,949	162,072,145	171,046,129	160,441,363
Proposed dividends for the financial year		6,000,000	12,000,000	6,000,000	12,000,000
<b>Total equity</b>		<u>180,693,949</u>	<u>175,072,145</u>	<u>180,693,949</u>	<u>175,072,145</u>
<b>Provisions</b>					
Provisions for deferred tax	8	7,177,977	5,329,486	7,156,693	5,320,394
<b>Total provisions</b>		<u>7,177,977</u>	<u>5,329,486</u>	<u>7,156,693</u>	<u>5,320,394</u>
<b>Liabilities other than provisions</b>					
<b>Current liabilities other than provisions</b>					
Bank loans		0	25,431	0	0
Trade payables		43,581,415	37,193,218	43,518,863	37,161,764
Payables to group entities		0	0	3,879,724	3,067,815
Corporation tax		3,330,290	3,001,692	2,837,748	2,724,759
Other payables		18,983,466	19,861,811	18,671,825	19,380,810
		<u>65,895,171</u>	<u>60,082,152</u>	<u>68,908,160</u>	<u>62,335,148</u>
<b>Total liabilities other than provisions</b>		<u>65,895,171</u>	<u>60,082,152</u>	<u>68,908,160</u>	<u>62,335,148</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>253,767,097</u>	<u>240,483,783</u>	<u>256,758,802</u>	<u>242,727,687</u>
<b>Mortgages and collateral</b>	9				
<b>Contractual obligations, contingencies, etc.</b>	10				
<b>Fees to auditor appointed at the general meeting</b>	11				



## Consolidated financial statements and parent company financial statements 1 May 2015 – 30 April 2016

### Statement of changes in equity

DKK	Group			
	Share capital	Retained earnings	Proposed dividends	Total
<b>Equity at 1 May 2014</b>	1,000,000	154,121,300	0	155,121,300
Distributed dividends	0	0	0	0
Transferred; see the profit appropriation	0	7,950,845	12,000,000	19,950,845
<b>Equity at 1 May 2015</b>	1,000,000	162,072,145	12,000,000	175,072,145
Distributed dividends	0	840,000	-12,000,000	-11,160,000
Transferred over the profit appropriation	0	10,780,088	6,000,000	16,780,088
Exchange rate adjustment, foreign subsidiaries	0	1,716	0	1,716
<b>Equity at 30 April 2016</b>	<u>1,000,000</u>	<u>173,693,949</u>	<u>6,000,000</u>	<u>180,693,949</u>

DKK	Parent company				
	Share capital	Revaluation reserve according to the equity method	Retained earnings	Proposed dividends	Total
<b>Equity at 1 May 2014</b>	1,000,000	765,641	153,355,659	0	155,121,300
Distributed dividends	0	0	0	12,000,000	12,000,000
Transferred; see the profit appropriation	0	865,141	7,085,704	0	7,950,845
<b>Equity at 1 May 2015</b>	1,000,000	1,630,782	160,441,363	12,000,000	175,072,145
Distributed dividends	0	0	840,000	-12,000,000	-11,160,000
Transferred over the profit appropriation	0	1,015,322	9,764,766	6,000,000	16,780,088
Exchange rate adjustment, foreign subsidiary	0	1,716	0	0	1,716
<b>Equity at 30 April 2016</b>	<u>1,000,000</u>	<u>2,647,820</u>	<u>171,046,129</u>	<u>6,000,000</u>	<u>180,693,949</u>

## Consolidated financial statements and parent company financial statements 1 May 2015 – 30 April 2016

### Cash flow statement (Group)

DKK	Note	2015/16	2014/15
Profit for the year		16,780,088	19,950,845
Other adjustments of non-cash operating items	12	17,998,479	18,460,740
Cash generated from operations before changes in working capital		34,778,567	38,411,585
Changes in working capital	13	-3,167,471	-2,325,597
Cash generated from operations		31,611,096	36,085,988
Interest income		225,734	176,727
Interest expense		-236,194	-317,626
Corporation tax paid		-3,114,046	0
<b>Cash flows from operating activities</b>		<b>28,486,590</b>	<b>35,945,089</b>
Acquisition of intangible assets		-1,580,057	-4,187,723
Acquisition of property, plant and equipment		-17,067,976	-9,526,873
<b>Cash flows from investing activities</b>		<b>-18,648,033</b>	<b>-13,714,596</b>
Distributed dividends		-9,096,060	0
Thereof dividends on treasury shares		840,000	0
<b>Cash flows from financing activities</b>		<b>-8,256,060</b>	<b>0</b>
<b>Cash flows for the year</b>		<b>1,582,497</b>	<b>22,230,493</b>
Cash and cash equivalents at the beginning of the year		20,269,349	-1,961,144
<b>Cash and cash equivalents at year end</b>		<b>21,851,846</b>	<b>20,269,349</b>

## Consolidated financial statements and parent company financial statements 1 May 2015 – 30 April 2016

### Notes

	Group		Parent Company	
	2015/16	2014/15	2015/16	2014/15
DKK				
<b>1 Staff costs</b>				
Wages and salaries	67,713,723	69,811,509	65,710,746	68,620,613
Pensions	4,478,599	4,516,241	4,352,093	4,442,673
Other social security costs	1,019,760	863,133	505,699	541,080
Hereof transferred to cost of goods sold	-32,119,293	-34,819,863	-32,119,293	-34,819,863
	<u>41,092,789</u>	<u>40,371,020</u>	<u>38,449,245</u>	<u>38,784,503</u>
Executive Board	4,378,872	4,793,563	4,378,872	4,793,563
Board of Directors	351,000	377,000	351,000	377,000
	<u>4,729,872</u>	<u>5,170,563</u>	<u>4,729,872</u>	<u>5,170,563</u>
Average number of full-time employees	160	169	156	167
The Executive Board is remunerated in the form of both fixed remuneration and bonus plans. Bonus plans depend on certain goals, which have been decided beforehand.				
<b>2 Financial expenses</b>				
Interest expense to group entities	0	0	153,868	117,293
Other interest expense	236,194	317,626	230,073	315,082
	<u>236,194</u>	<u>317,626</u>	<u>383,941</u>	<u>432,375</u>
<b>3 Tax on profit for the year</b>				
Current tax for the year	3,247,247	1,822,468	2,965,379	1,788,360
Deferred tax adjustment for the year	1,602,672	3,897,405	1,602,672	3,897,405
Joint taxation with group entities	0	0	0	-246,219
Adjustment of deferred tax in respect of prior years	233,627	0	233,627	0
Adjustment of current tax in respect of prior years	176,179	0	176,179	0
	<u>5,259,725</u>	<u>5,719,873</u>	<u>4,977,857</u>	<u>5,439,546</u>

## Consolidated financial statements and parent company financial statements 1 May 2015 – 30 April 2016

### Notes

#### 4 Intangible assets

DKK	Group		
	Patents, licenses and trade-marks	Software under construction	Total
Cost at 1 May 2015	478,500	0	478,500
Transferred	0	4,187,723	4,187,723
Additions	0	1,580,057	1,580,057
Cost at 30 April 2016	478,500	5,767,780	6,246,280
Amortisation at 1 May 2015	-234,750	0	-234,750
Amortisation	-126,250	0	-126,250
Amortisation at 30 April 2016	-361,000	0	-361,000
<b>Carrying amount at 30 April 2016</b>	<b>117,500</b>	<b>5,767,780</b>	<b>5,885,280</b>

DKK	Parent Company		
	Patents, licenses and trade-marks	Software under construction	Total
Cost at 1 May 2015	478,500	0	478,500
Transferred	0	4,187,723	4,187,723
Additions	0	1,580,057	1,580,057
Cost at 30 April 2016	478,500	5,767,780	6,246,280
Amortisation at 1 May 2015	-234,750	0	-234,750
Amortisation	-126,250	0	-126,250
Amortisation at 30 April 2016	-361,000	0	-361,000
<b>Carrying amount at 30 April 2016</b>	<b>117,500</b>	<b>5,767,780</b>	<b>5,885,280</b>

## Consolidated financial statements and parent company financial statements 1 May 2015 – 30 April 2016

### Notes

#### 5 Property, plant and equipment

	Group				
	Land and buildings	Plant and machinery	Fixtures and fittings, tools and equipment	Property, plant and equipment under construction	Total
DKK					
Cost at 1 May 2015	94,359,494	248,008,706	21,244,403	4,543,629	368,156,232
Transferred	0	0	0	-4,187,723	-4,187,723
Additions	1,290,228	12,411,602	1,275,893	2,090,253	17,067,976
Disposals	0	0	-318,665	0	-318,665
Cost at 30 April 2016	95,649,722	260,420,308	22,201,631	2,446,159	380,717,820
Depreciation at 1 May 2015	-55,311,742	-218,278,789	-19,214,129	0	-292,804,660
Depreciation	-3,448,806	-7,925,601	-1,194,512	0	-12,568,919
Depreciation on disposals	0	0	318,665	0	318,665
Depreciation at 30 April 2016	-58,760,548	-226,204,390	-20,089,976	0	-305,054,914
<b>Carrying amount at 30 April 2016</b>	<b>36,889,174</b>	<b>34,215,918</b>	<b>2,111,655</b>	<b>2,446,159</b>	<b>75,662,906</b>

	Parent Company				
	Land and buildings	Plant and machinery	Fixtures and fittings, tools and equipment	Property, plant and equipment under construction	Total
DKK					
Cost at 1 May 2015	83,230,143	248,008,706	21,232,639	4,543,629	357,015,117
Transferred	0	0	0	-4,187,723	-4,187,723
Additions	1,290,228	12,411,602	1,263,786	2,090,253	17,055,869
Disposals	0	0	-318,665	0	-318,665
Cost at 30 April 2016	84,520,371	260,420,308	22,177,760	2,446,159	369,564,598
Depreciation at 1 May 2015	-45,170,156	-218,278,789	-19,213,220	0	-282,662,165
Depreciation	-3,329,125	-7,925,601	-1,188,251	0	-12,442,977
Depreciation on disposals	0	0	318,665	0	318,665
Depreciation at 30 April 2016	-48,499,281	-226,204,390	-20,082,806	0	-294,786,477
<b>Carrying amount at 30 April 2016</b>	<b>36,021,090</b>	<b>34,215,918</b>	<b>2,094,954</b>	<b>2,446,159</b>	<b>74,778,121</b>

## Consolidated financial statements and parent company financial statements 1 May 2015 – 30 April 2016

### Notes

#### 6 Investments in group entities

DKK	Parent Company	
	2015/16	2014/15
Cost at 1 May 2015	2,074,279	1,896,489
Adjustment exchange rate	4,794	-8,460
Additions	0	186,250
Cost at 30 April 2016	2,079,073	2,074,279
Value adjustments at 1 May 2015	1,373,785	508,644
Profit for the year from investments	1,015,322	865,141
Value adjustments at 30 April 2016	2,389,107	1,373,785
<b>Carrying amount at 30 April 2016</b>	<b>4,468,180</b>	<b>3,448,064</b>

#### Group entities

Name/legal form	Registered office	Voting rights and ownership interest	Equity DKK	Profit for the year DKK
Ejendomsselskabet Strandpromenaden A/S	Horsens	100%	3,900,743	858,993
Nopa Nordic AB	Kunges Kurva	100%	300,682	96,334
Nopa Nordic GmbH	Frankfurt am Main	100%	266,756	59,995

## Consolidated financial statements and parent company financial statements 1 May 2015 – 30 April 2016

### Notes

#### 7 Share capital

The share capital have not been changed during the past five years. The share capital consists of:

DKK	2015/16	2014/15
48 shares, of nom. DKK 10,000	480,000	480,000
8 shares, of nom. DKK 2,500	20,000	20,000
46 shares, of nom. DKK 10,000	460,000	460,000
4 shares, of nom. DKK 5,000	20,000	20,000
18 shares, of nom. DKK 1,000	18,000	18,000
8 shares, of nom. DKK 250	2,000	2,000
	<u>1,000,000</u>	<u>1,000,000</u>

Out of share capital DKK 500,000 are A-shares with total vote rights on 20,000 and DKK 500,000 are B-shares with total vote rights on 2,000.

The Company's treasury shares can be specified as follows:

- A shares, 2, of nom. DKK 10,000
- B shares, 4, of nom. DKK 10,000
- B shares, 2, of nom. DKK 5,000

The total amount of treasury shares accounts for 7% o

## Consolidated financial statements and parent company financial statements 1 May 2015 – 30 April 2016

### Notes

DKK	Group		Parent Company	
	2015/16	2014/15	2015/16	2014/15
<b>8 Deferred tax</b>				
Deferred tax at 1 May 2015	5,329,486	1,432,081	5,320,394	1,422,989
Deferred tax adjustment for the year	1,848,491	3,897,405	1,836,299	3,897,405
	<u>7,177,977</u>	<u>5,329,486</u>	<u>7,156,693</u>	<u>5,320,394</u>
Provisions for deferred tax relate to:				
Intangible assets	-5,280	1,430	-5,280	1,430
Property, plant and equipment	6,333,837	5,801,890	6,312,553	5,792,798
Current assets	849,420	0	849,420	0
Tax loss carryforwards	0	-473,834	0	-473,834
	<u>7,177,977</u>	<u>5,329,486</u>	<u>7,156,693</u>	<u>5,320,394</u>

### 9 Mortgage and collateral

Land and buildings with a carrying amount of DKK 36,021,090 at 30 April 2016 have been provided as collateral for amounts owed to mortgage institutions of DKK 15,000,000.

The Company has provided a joint and several guarantee as collateral for all amounts owed to Danske Bank A/S by the group.

### 10 Contractual obligations, contingencies, etc.

#### Operating lease obligations

Operating lease obligations at 30 April 2016 represented DKK 4,674 thousand whereof DKK 1,237 thousand falls due within the initial year and DKK 410 thousand after five years.

#### Contingent liabilities

The Group's Danish entities are jointly and severally liable for tax on the Group's jointly taxed income and for certain withholding taxes such as dividend tax and royalty tax as well as for the joint VAT registration. Any subsequent corrections of the taxable income subject to joint taxation or withholding taxes on dividends, etc., may entail an increase in the entities' liability. The Group as a whole is not liable to any other parties. A tax case related to prior years is pending. Management does not expect any derived significant impact on the consolidated financial statements.

The Group's Danish entities are jointly and severally liable for the joint VAT registration.



## Consolidated financial statements and parent company financial statements 1 May 2015 – 30 April 2016

### Notes

	Group	
	2015/16	2014/15
DKK		
<b>11 Fees to auditor appointed at the general meeting</b>		
Total fees to BRANDT	0	280,750
Total fees to KPMG	268,000	0
Statutory audit	115,000	179,000
Tax assistance	55,000	0
Other assurance engagements	10,000	0
Non-audit services	88,000	101,750
	<u>268,000</u>	<u>280,750</u>
<b>12 Other adjustments</b>		
Depreciation and amortisation	12,728,294	12,602,827
Financial income	-225,734	-176,727
Financial expenses	236,194	317,626
Tax for the year	5,259,725	5,719,873
Other adjustments	0	-2,859
	<u>17,998,479</u>	<u>18,460,740</u>
<b>13 Change in working capital</b>		
Change in inventories	-2,335,126	-4,866,184
Change in receivables	-3,438,257	408,852
Change in trade and other payables	2,605,912	2,131,735
	<u>-3,167,471</u>	<u>-2,325,597</u>